



TRANSPORTATION PERFORMANCE AUDIT BOARD

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To: House Transportation Committee
Senate Transportation Committee
Legislative Transportation Committee

From: Doug Hurley, Chair

Date: January 27, 2005

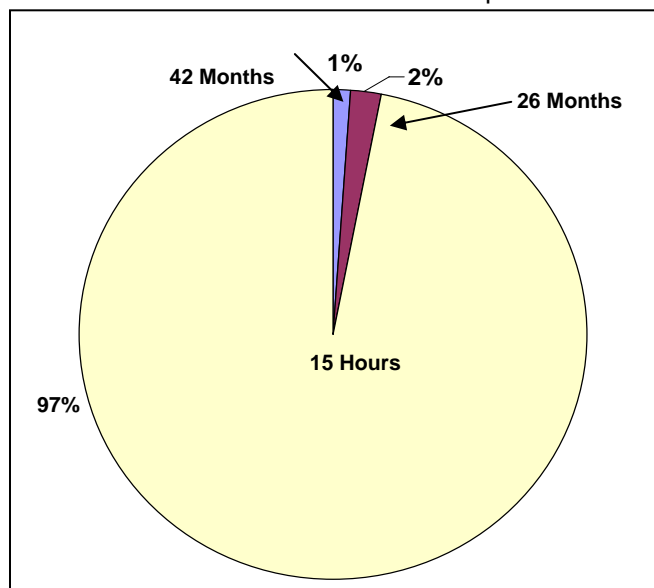
Subject: Final Report — Environmental Permitting for Transportation Projects

I am pleased to provide you with a copy of the final report on the Overview of Environmental Permitting for Transportation Projects. This report reflects initial work conducted for the Transportation Performance Audit Board (TPAB) by staff from the Joint Legislative Audit and Review Committee (JLARC).

This study is focused on providing a detailed overview of current activities to streamline the permitting process for transportation projects. The review provides a very detailed listing of streamlining projects, identifying several Washington State efforts that appear to have had some measure of success. Likewise, the survey of 24 other states provides the basis to recommend additional activities that may be desirable additions to Washington's permit streamlining program.

To provide some context, Figure 1 from the report is included below. It indicates that many transportation projects in Washington State require relatively small amounts of effort to develop environmental documentation, while others are more complex.

Figure 1 – Distribution of Projects by Avg.
Environmental Documentation Completion Time



The few projects needing extensive documentation and time-consuming permits tend to be very large and expensive. In the last two years, only 18 new projects required an environmental impact statement (which take an average of 42 months to complete) or an environmental assessment (which take an average of 26 months to complete), but those projects had budgets ranging from \$1.3 million to \$221.9 million.

Assuming construction cost inflation is three percent per year, a one year delay of a \$200 million project adds \$6 million in costs. Project delays also mean a delay in the safety, preservation and congestion relief benefits that completed projects would provide. While there are many sources of project delay in addition to permitting, these figures suggest the importance of reducing delay where feasible. Streamlining the environmental permitting process creates the opportunity to reduce project delays while continuing to meet environmental standards.

One of the most tangible of the permitting improvements made to date has been the development of programmatic permits for whole categories of activities which previously required a permitting process for each project. For instance, if the Washington State Department of Transportation (WSDOT) needed to paint an existing bridge, that activity would require a permit. The next time the same bridge needed to be painted would also require a permit.

In 2004, there were 120 bridge repair and maintenance projects that previously would have each required a new permit and a new permit process. However, with the negotiation of standard permit conditions for all such activities, WSDOT was able to use a single programmatic permit for these activities rather than apply for 120 individual permits. There are 12 separate programmatic permits in place for routine maintenance and repair activities which covered 953 projects during 2004 that previously would have required separate permits. Because these programmatic permits cover a five year period, it is estimated that 12 permits will replace what otherwise would have required over 4,700 permits during the next five years. In other words, Washington will have converted 4,700 permits over five years into 12 permits; 12 pieces of paper instead of 4,700 pieces of paper. The job of getting the programmatic permits in place was harder and took longer than expected; however, with the complexity of the first round of negotiations behind us; the renewal of programmatic permits on their expiration after five years should be more routine.

The WSDOT Northwest Region Multi-Agency Permitting (MAP) Team serves as another good example of a new effort that has increased the efficiency of the permitting process. The MAP Team, which includes staff from WSDOT, Ecology, Fish and Wildlife, and the U.S. Army Corps of Engineers, is successful because the members work side by side in the same office. This allows ongoing communication, rather than communication limited to meetings and through letters as under the traditional resource agency organization. The Team is empowered to establish its own priorities, to set its own schedule, and to consult with WSDOT on solutions for permitting issues, rather than simply sending correspondence from one agency to another.

As a result of the review of permit streamlining efforts, TPAB recommends the following:

- (1) WSDOT should investigate the types of project delivery processes being implemented in Florida and Minnesota that link land use, transportation and environmental resource planning initiatives through early, interactive agency involvement. Analyses of the Florida and Minnesota efforts to revamp how transportation projects are designed should provide valuable insights into streamlining activities to improve project quality and timeliness.

- (2) WSDOT and the natural resource agencies should consider standardizing geographic information system (GIS) and other relevant electronic data so that they can be easily exchanged within and across agencies and among external stakeholders. Data standardization would enhance efficiency by maximizing the use of available information, avoiding the time and cost associated with data conversion and providing an effective mechanism for communicating complex information with stakeholders. WSDOT has requested funding for a critical systems assessment which could help address this issue.
- (3) WSDOT and the natural resource agencies should investigate the use of the best available scientific information as a substitute for project field survey work. Use of the best available scientific data avoids costly and time-consuming field work. WSDOT, Ecology and the Washington Department of Fish and Wildlife should examine the scientific literature to determine areas in which current research could credibly replace field work.
- (4) WSDOT and the natural resource agencies should define a work plan for further environmental regulatory process improvement.

In addition to monitoring the implementation of these recommendations, TPAB anticipates a follow-up analysis to assess the business process flow associated with environmental permitting on the more complex projects requiring multi-month and multi-year processes. This analysis will identify the major contributors to project delays and cost increases, with the goal of prioritizing streamlining efforts based on their ability to address major delay and cost increase factors.

I would appreciate your feedback or discussion about our report. If you or your staff have questions about the details in the attached report, please feel free to contact me directly, or Steve Lerch at JLARC (360-786-5178).

cc: Doug MacDonald, WSDOT Secretary
Paula Hammond, WSDOT Chief of Staff
Linda Hoffman, Director, Department of Ecology
Jeffrey Koenings, Director, Department of Fish and Wildlife
Victor Moore, Director, Office of Financial Management
TPAB Members

Attachment